

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

(916) 445-4458

July 9, 1987



ALL-COUNTY INFORMATION NOTICE NO. 1-61-87

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: Recognition of County Error Rate Performance

REFERENCE:

I am very pleased that original State findings showed that the statewide Aid to Families with Dependent Children (AFDC) payment error rate for the quality control review period of April through September 1986 was 3.0 percent. I appreciate the efforts of each of you and those of your staffs which contributed toward that achievement. We do, however, need to keep in mind that historically the Federal regressed error rate for AFDC has been as much as two percentage points higher than our findings.

Because statewide Food Stamp (FS) error findings show our error rate at 7.9 percent for Federal Fiscal Year 1986 I remain concerned about our performance in this program. Also, although our achievement of a 3.0 percent error rate in AFDC according to our original findings is very good, it is important that we maintain and improve that performance. State findings show that the AFDC payment error rate has fluctuated between 2.9 percent and 4.1 percent during the four six-month periods which ended September 30, 1986. During the same periods, the statewide FS payment error rate (State findings) has fluctuated between 6.2 percent and 8.0 percent. The FS error rate for the most recent six-month period was 7.8 percent and the Federal regressed FS error rate has been about one and one-half percentage points higher than original State findings. We, of course, have a mutual concern about the receipt of any sanctions for Federal regressed payment rates which exceed the performance standard for each of these programs.

While numerous counties have been successful in achieving low AFDC error rates through improved day-to-day operations and stronger corrective actions, many more need to obtain such results. The payment error rate for the FS Program must also be more aggressively addressed to bring about a significant and lasting reduction.

Since December 1984 I have had criteria by which to determine whether to commend the excellence of or express my concern to those county welfare departments whose AFDC payment error rate and/or corrective action performance has been very good to excellent or very poor. These letters have been sent after review of the annual county Corrective Action Plan (CAP) and

after review of the progress report on that CAP. Each county's board of supervisors has been receiving a copy of the letter when praise was given.

I am pleased to have sent 45 letters of commendation to 18 different county welfare departments since this program began. The program reflects my personal commitment to support error reduction efforts, and my belief in county accountability for achievement of error rate goals.

I wish to further encourage all counties in their corrective action efforts and to give clear recognition of those efforts and the substantive results of those activities. Therefore, I am implementing an expansion of this program to include sending letters commending excellence or expressing concern for payment error rate performance in the FS Program. Because of overall better performance among counties in the AFDC Program, I am tightening the criteria which determine whether letters will be sent in this program so that my recognition continues to focus on extraordinary performance.

I will also present a special annual award in recognition of exemplary efforts in the AFDC and FS programs' corrective action activities to the director and staff of a small, a medium and a large size county (i.e., three separate awards may be granted annually). This award will be an engraved plaque, presented by me or my representative to the county welfare director and others as determined by that director. Certificates for involved staff can be made available, and information about presentation of the special award can be shared with the board of supervisors and the local press, if desired by the recipient county.

Details regarding the criteria for my decision to send letters or present special awards are set forth as an attachment to this letter.

I will share information with all counties about those selected for the special awards. Additionally, twice a year I will publish AFDC and FS error rates for all counties for which data are available, highlighting those which have AFDC and/or FS error rates in excess of the established Federal performance standards.

I look forward to an increasing number of counties achieving the level of performance that will allow me to recognize them positively for their efforts and commitment. You may contact me at (916) 445-2077 or have your staff contact Ms. Nina M. Grayson, Chief of the Corrective Action Bureau, at (916) 445-4458 if you have questions or comments about this letter.



LINDA S. McMAHON
Director

Attachment

cc: CWDA

CRITERIA FOR DIRECTORS' LETTERS
AND SPECIAL ANNUAL AWARDS

Letter Program Criteria

With regard to both the AFDC and Food Stamp (FS) programs, the decision for the Director of the State Department of Social Services to send or not send a letter is a matter of judgment based on a county's performance as measured against the following criteria.

- o First, the payment error rate from Quality Control (QC) sample findings is considered.
- o All AFDC error rate references in the criteria are to the payment error rate from State QC sample findings as reported by individual counties, except Los Angeles County which uses the Federal QC sample findings.
- o For AFDC, letters will continue to be issued after each semiannual review period.
- o The first QC review data for FS that will be considered for the issuance of these letters is that for the period which ended September 30, 1986. At this time, only error rates for the eleven "expanded sample" counties, and Los Angeles and San Diego counties will be used as criteria, due to data limitations.
- o Other factors are also looked at before the decision to send a letter is made, including timeliness and thoroughness of corrective action plans.

For either program, commendations will be considered for counties:

- o With consistently low dollar error rates (2.5 percent for AFDC; 5.0 percent for FS);^{1/}
- o a very significant trend of error rate reduction; or
- o successful and noteworthy corrective action efforts.

Letters of concern will be considered for counties:

- o With an error rate in excess of 3.5 percent for AFDC or 6.0 percent for FS for two consecutive six-month QC review periods. (Note: error rates in excess of 3.0 percent for AFDC and 5.0 percent for FS - the respective Federal performance standards - automatically

^{1/} The threshold error rate figures used as criteria may be revised as significant changes in county error rates occur.

trigger an intensified effort by Corrective Action Bureau staff to help counties combat error problems. No county, therefore, will receive a letter of concern without having been offered assistance in reversing an upward trend. The nature of the assistance provided will be determined in consultation between the county and the Corrective Action Bureau.)

- o a very significant trend of error rate increases; or
- o when corrective action is done very poorly or not done at all.

Each county will also be considered with respect to other relevant factors with respect to each program such as:

- o Timeliness and thoroughness of the Corrective Action Plan.
- o Special corrective actions undertaken which are reflected in a county's error rates. This could include a very good or very poor plan, an exceptionally innovative action, or other item.

These "other relevant factors" also furnish the basis for consideration for a letter to counties who have not met the payment error rate screening criteria, either because of unexceptional error rate or because the county is not required to perform the QC reviews.

Copies of commendation letters may be sent to county boards of supervisors or others, as desired by the recipient directors. Copies of letters of concern will not be sent to anyone but the recipient director. DSS will determine what course of action to take in cases of excessively poor performance.

Special Award Criteria

This will be given annually in recognition of exemplary efforts in the AFDC and FS program corrective action activities, to the director and staff of a small, a medium and a large size county (i.e., three separate awards may be granted).

- o Program error rates will be considered in determining recipients of this award.
- o Several factors have been developed to help identify exemplary corrective action efforts including substantive value of the corrective action, whether the goal was achieved and the degree of involvement by county staff.
- o The October 1986-September 1987 QC year will be the first for which this annual award is given.
- o The recipient director will be contacted to plan the presentation of and publicity about these awards.